Arensi-Marley (M) Sdn Bhd v Middy Industries Sdn Bhd

HIGH COURT (KUALA LUMPUR) — ORIGINATION MOTION NO D1–25–10 OF 2002
VINCENT NG J
25 FEBRUARY 2004

Patents — Registered designs — Infringement — Application to expunge design — Design registered in United Kingdom and Malaysia — Whether wrongly registered — Whether design significantly different — Industrial Designs Act 1996 ss 12(2), 24(1), (2), 27(1), Industrial Designs Regulations 1999 reg 28(2)

The applicant manufactured and marketed uPVC rainwater products, and was the copyright owner in the original artistidc work comprised in designs of a rain gutter being part of a whole gutter system ('Gutter Designs'). The respondent was the registered proprietor of design No MY 01-00372 ('Design 372'), the subject matter of this suit. The applicant alleged that Design 372 was a substantial reproduction of their Gutter Designs and the respondent's representations in their design registration dated 16 July 2001 were almost identical to their Gutter Designs, or that it was different only in immaterial details. The applicant sought to invalidate the registration of Design 372 and have the same expunged from the Register of Industrial Designs, Malaysia.

The issues before this court were: (a) whether the applicant had complied with the mandatory provisions of s 24(2) of the Industrial Designs Act 1996 ('the Act') and reg 28(2) of the Industrial Designs Regulations 1999 ('the Regulations'), which required service of the application and the supporting affidavit on the Registrar of Industrial Designs; (b) whether the applicant was correct in seeking to expunge Design 372 under s 24(1) of the Act; and (c)whether Design 372 had been wrongfully entered in the Register of Industrial Design and therefore invalid.

Held, dismissing the application with costs:

(1) The applicant had complied with the mandatory provisions of s 24(2) of the Act and reg 28(2) of the Regulations since the applicant duly served the application and the supporting affidavit to the Registrar of Industrial Designs (see para 7).

(2) Giving the words its plain and ordinary meaning, it was clear that s 24 was limited to making, expunging or varying an 'entry' in the Register as opposed to s 27 which was concerned with the revocation of the registration of a design as a whole. Therefore, this application had been properly made under the s 27 of the Act. More so, considering that the application was founded on the applicant's belief that their design was prior art which pre-dated the priority date for the respondent's design (see paras 10 and 11).

(3) Based on visual impression, the presence of a non-closed end and longitudinal ribs was substantial to give Design 372 the required originality and newness. Aside from its overall aesthetic appeal, the fact that the

non-closed ends allowed the rain gutters to be affixed with its brackets concealed, could not be treated as mere workshop alterations. Therefore, Design 372 had been validly granted registration in Malaysia and be allowed to remain in the Register of Industrial Designs, Malaysia (see paras 20–22).

[**Bahasa Malaysia summary**

Pemohon mengeluarkan dan memasarkan produk-produk 'uPVC rainwater' dan juga pemilik hak cipta kerja-kerja artistik asal merangkumi reka bentuk talang hujan yang merupakan salah satu bahagian dari keseluruhan sistem talang hujan ('Gutter Designs'). Responden adalah pemilik berdaftar reka bentuk No MY 01-00372 ('Reka bentuk 372') perkara dalam tindakan ini. Pemohon menyatakan bahawa Reka bentuk 372 adalah pengeluaran semula secara substantial Gutter Designs perayu dan representasi responden di dalam daftar reka bentuk bertarikh 16 Julai 2001 hampir serupa dengan Gutter Designs perayu atau perbezaannya hanya melibatkan butir-butir yang tidak penting. Pemohon memohon untuk membatalkan Daftar Reka bentuk 372 dan memadamkan yang sama daripada Daftar Reka bentuk Perindustrian, Malaysia.

Isu-isu di hadapan mahkamah ini adalah: (a) sama ada pemohon telah memenuhi peruntukan mandatori s 24(2) Akta Reka bentuk 1996 ('Akta tersebut') dan Peraturan 28(2) Peraturan-Peratutan Reka bentuk Perindustrian 1999 ('Peraturan tersebut'), yang memerlukan permohonan dan affidavit sokongan diserahkan kepada Pendaftar Reka bentuk Perindustrian; (b) sama ada pemohon adalah betul dalam memohon untuk memadamkan Reka bentuk 372 di bawah seksyen 24(1) Akta tersebut; dan (c) sama ada Reka bentuk 372 telah dimasukkan secara salah di dalam Daftar Reka bentuk Perindustrian dan dengan itu adalah tak sah.

Diputuskan, menolak permohonan dengan kos:

(1) Pemohon telah memenuhi peruntukan mandatori s 24(2) Akta tersebut dan Peraturan 28(2) Peraturan tersebut apabila pemohon telah menyerahkan permohonan dan affidavit sokongan pemohon kepada Pendaftar Reka bentuk Perindustrian (lihat perenggan 7).

(2) Dengan memberikan maksud yang mudah dan biasa kepada perkataan-perkataan, adalah jelas bahawa pemakaian s 24 adalah terhad kepada membuat, memadam atau mengubah sesuatu 'kemasukan' di dalam Daftar, bertentangan dengan s 27 yang berkenaan dengan pembatalan Daftar Reka bentuk secara keseluruhan. Penggubal undang-undang tidak berniat untuk memasukkan dua peruntukan statutori yang memberikan relief-relief yang sama di dalam Akta yang sama. Maka, permohonan ini sepatutnya dibuat di bawah s 27 Akta tersebut. Lebih-lebih lagi, permohonan ini adalah berdasarkan kepercayaan pemohon bahawa reka bentuk pemohon merupakan lukisan terdahulu daripada reka bentuk responden (lihat perenggan 11 dan 12).

(3) Berdasarkan anggapan visual kali pertama, kewujudan ketidakpenutupan di bahagian akhir dan garisan bujur tetulang adalah substantial yang memberikan Reka bentuk 372 keaslian dan pembaharuan. Selain dari segi estetik, fakta bahawa ketidakpenutupan di bahagian akhir membolehkan talang hujan ditambahkan dengan penyembunyian kuda-kuda, tidak boleh dianggap hanya sebagai pengubahan bengkel. Oleh itu, Reka bentuk 372 telah secara sah diberikan pendaftarannya di Malaysia dan dibenarkan untuk berada di dalam Daftar Reka bentuk Perindustrian, Malaysia (lihat perenggan 22–25).]

Notes

For cases on infringement of registered designs, see 10 *Mallal's Digest* (4th Ed, 2002 Reissue) para 1076

Cases referred to

Besalon International Ltd & Ors v South Strong Industries Sdn Bhd [1997] 2 MLJ 131 (refd)
British Franco Electric Pty Ltd v Dowling Plastics Pty Ltd [1981] 1 NSWLR 448 (refd)
Clarke's Design, Re [1896] 2 Ch 38 (refd)
Control Pty Ltd v Meco McCallum Pty Ltd & Anor (Federal Court of Australia, unreported) (refd)
Household Articles Ltd's Registered Design [1998] FSR Vol 25 676 (refd)
Macrae Knitting Mills Ltd v Lowes Ltd [1963] 55 CLR 725 (refd)
Philips v Harbro Rubber Co [1920] 376 RPC 233 (refd)
Vandervell & Co v Lundberg & Sons [1916] 33 RPC 60 (refd)

Legislation referred to

Industrial Designs Act 1996 ss 12(2), 24(1), 27(1)
Industrial Designs Regulations 1999 reg 28(2)

Chew Kherk Ying (Elaine Yap with her) (Wong & Partners) for the applicant.
SF Wong (Sri Dev Nair and M Raj Kumar with him) (Sri Dev & Naila) for the defendant.

Vincent Ng J:

Preamble

[1] Enclosure 1 is the applicant's application for an order that the respondent's Industrial Design Registration No MY 01-00372 ('Design 372') be expunged and removed from the Register of Industrial Designs, Malaysia under s 24(1) of the Industrial Designs Act 1996 ('the Act').

Background

[2] The applicant manufactures and markets uPVC rainwater products in Malaysia. Their main product is a rainwater gutter system known as Rainwater

System; which consists of rain gutters and gutter fittings which when fitted together, form a complete gutter system for a house or building.

[3] The applicant is also the copyright owner in the original artistic work comprised in designs of a rain gutter including three-dimensional reproduction of designs being part of a whole gutter system ('Gutter Designs').

[4] In early April 2002, the applicant was alerted to Design 372 which they maintain was not only a substantial reproduction of their own Gutter Designs but also designed to only fit the applicant's Rainwater System. The applicant submitted that the respondent's representations in their design registration dated 16 July 2001, were almost identical to their Gutter Designs or different from them only in immaterial details. For this reason, the applicant sought to invalidate the registration of Design 372 and have the same expunged from the Register of Industrial Designs, Malaysia.

[5] The respondent opposed the application on the grounds that Design 372, which is not only registered in Malaysia but also in the United Kingdom, was significantly different from the applicant's Gutter Designs.

Preliminary issues

[6] Before proceeding to consider the merits of this application, let me first address the preliminary issues raised by the respondent.

[7] Firstly, on the question of whether the applicant had complied with the mandatory provisions of s 24(2) of the Act and reg 28(2) of the Industrial Designs Regulations 1999, which required service of the application and the supporting affidavit on the Registrar of Industrial Designs; I am satisfied that they had done so on 10 July 2002.

[8] Secondly, on the question of whether the applicant was correct in seeking to expunge of Design 372 under s 24(1) of the Act; I considered the provisions of both ss 24 and 27 of the Act.

[9] Section 24(1) of the Act reads as follows:

> Subject to the provisions of this Act —
>
> (a) The Court may, on the application in the prescribed manner, of any persons aggrieved by or interested in the non-inclusion in or omission from the Register of any entry, or by or in any entry made in the Register without sufficient cause, or any entry wrongfully remaining in the Register, or any error or defect in any entry in the Register, make *such order for including, making, expunging or varying any such entry* or for correcting of any such error or defect *as it deems fit*; …"

whilst s 27(1) of the Act reads as follows:

> *At any time after the registration of an industrial design*, any person may apply to the Court —
>
> (a) *for the revocation of the registration of the industrial design* on the ground, subject to section 12, that the industrial design has been disclosed to the public prior to the priority date of the application for registration of the industrial design; …

(Emphasis added.)

[10] Giving the words of the provisions its plain and ordinary meanings, it is clear that s 24 is limited to making, expunging or varying an 'entry' in the Register as opposed to s 27 which clearly is concerned with the revocation of the registration of a design as a whole. It could hardly have been the intention of the legislature to include two statutory provisions in the same Act granting identical reliefs.

[11] I am of the opinion that this application should have rightly been made under the purview of s 27 of the Act. More so, considering that the application was founded on the applicant's belief that their design was prior art which predated the priority date for the respondent's design.

Merit of the application

[12] Despite this, I went on to consider the merits of the application for I am completely *ad idem* with the observations of Lindley LJ in *Re Clarke's Design* [1896] 2 Ch 38:

> *The only protection afforded to the public against the abuse of the Act and the acquisition of mischievous monopolies for designs which are neither new nor original*, but which have escaped the vigilance of the comptroller and been improperly registered, *is the protection of a Court* when its aid is invoked by the registered owner of a design against an alleged infringer, or by a person aggrieved who applies to expunge a registered design from the register.
>
> (Emphasis added.)

[13] The crux of the applicant's contention was that Design 372 was a wrongfully entry in the Register of Industrial Designs and therefore invalid because the design was not new.

[14] Section 12(2) of the Act provides that:

> *An industrial design* for which an application for registration is made *shall not be considered new if, before the priority date of the application, it or an industrial design differing from it in immaterial details or in features commonly used in the relevant trade —*
>
> (i) *was disclosed to public anywhere in Malaysia*; or
>
> (ii) …
>
> (Emphasis added.)

[15] The burden on the applicant is two-fold; they have to show that:

(1) Design 372 was not new because it was similar to their own Gutter Design which was prior art; and

(2) any differences in the designs was only in immaterial details and in features commonly used in the trade.

[16] Reference was made to the applicant's sale and promotions including newspaper and trade journal advertisements, brochures and other promotional events since 1994; all predating the respondent's the priority date of 16 July 2001. The applicant sought to rely on Dato' Kamalanathan Ratnam's judgment in *Besalon International Ltd & Ors v South Strong Industries Sdn Bhd* [1997] 2 MLJ 131 at p 147 wherein his Lordship held that:

Any prior use or prior publication in Malaysia will therefore destroy the novelty. It may well be however, that the novelty will still exist in the United Kingdom and the original design registration may remain valid on the United Kingdom register in terms of novelty. *This is simply because the question of novelty is territorial.* (Emphasis added.)

[17] The applicant submitted that Design 372 was identical to their Gutter Design; save for the non-closure of the upper ends of the sides of the gutter and the external longitudinal ribs across the sides of the gutter. These differences, the applicant maintained, were common variants in the trade and the respondent should not be entitled to monopolize them by means of design registration (see *Macrae Knitting Mills Ltd v Lowes Ltd* [1963] 55 CLR 725; *British Franco Electric Pty Ltd v Dowling Plastics Pty Ltd* [1981] 1 NSWLR 448 and *Control Pty Ltd v Meco McCallum Pty Ltd & Anor* (Federal Court of Australia, unreported).

[18] To assess the extent to which one design differed from the other, Iwas guided by the principle set out in *The Modern Law of Copyright and Design* (at p 1131 of Butterworths (2nd Ed, 1995)):

> In reality, of course, the court assesses novelty itself. *Except in the most borderline of cases it is unlikely that the judge will defer to the opinion of witnesses where he has already come to view on novelty. Therefore, it is the court's first visual impression which counts*.
>
> (Emphasis added.)

(See *Philips v Harbro Rubber Co* [1920] 376 RPC 233 and *Household Articles Ltd's Registered Design* [1998] FSR Vol 25 676.)

[19] I carefully examined the following:

(i) the applicant's Gutter Design (exh WKF 18 encl 7);

(ii) the respondent's registered design (exh WKF 18 encl 7);

(iii) other rain gutters available in Malaysia (exh WKF 19 encl 7); and

(iv) other rain gutter designs registered in the United Kingdom (exh CKP 3 encl 6);

bearing in mind the Laddie J's *dicta* in *Household Articles Ltd's Registered Design* at p 683 that:

> *A design may be valid over prior art even though individual features are very similar. To the eye, the impact of small differences may be considerable. Conversely differences may be substantial but the overall visual impact may be very similar.* Language is not well suited to explaining why in each case.
>
> (Emphasis added.)

[20] Looking at all these designs in their entirety, my first visual impression of Design 372, with its non-closed ends and longitudinal ribs, was that it was new. None of the prior publications of rain gutters showed non-closed ends at the terminal edge of the side walls or longitudinal ribs along the three sides. These features, that the applicant was seeking to dismiss as immaterial differences or common variants in the trade, were the very features that attributed originality and newness to Design 372.

[21] Although Younger J opined that 'no high standard of inventiveness is required to constitute novelty' in *Vandervell & Co v Lundberg & Sons* [1916] 33 RPC 60 at p 68, I found that the presence of a non-closed end and longitudinal ribs was substantial to give Design 372 the required newness. Aside from its overall aesthetic appeal, the fact that the non-closed ends allowed the rain gutters to be affixed with its brackets concealed, could not be treated as mere workshop alterations.

Conclusion

[22] The applicant has failed to discharge the onus placed on them. I am satisfied that Design 372 was validly granted registration in Malaysia and as such should be allowed to remain in the Register of Industrial Designs, Malaysia.

[23] The applicant's application in encl 1 is hereby dismissed with costs.

Application dismissed with costs.

Reported by Sugandra Rao